

Energy Efficiency and Conservation Block Grant

Tennessee Department of Economic and
Community Development and the
American Recovery and Reinvestment Act of 2009



Monitoring Guide

Energy Policy Office
EECBG Program
312 Rosa L. Parks Ave., 10th Floor
Nashville, TN 37243
800-342-1340
ecd.energypolicy@tn.gov

Introduction

The Tennessee Energy Efficiency and Conservation Block Grant (EECBG) Program is funded by the U.S. Department of Energy (DOE) under the American Recovery and Reinvestment Act (ARRA). Through the program, the Tennessee Department of Economic and Community Development (ECD) awarded 146 subgrants totaling more than \$13.4 million.

The Tennessee EECBG Monitoring Guide contains ECD's plan for evaluating Subgrantees, monitoring their progress and ensuring their compliance with all grant requirements. This Guide does not replace the EECBG Special Terms and Conditions attached to the EECBG contract received by Subgrantees or the Subgrantee Information Packet, but rather, it is intended to supplement those documents.

Other information important to reporting, EECBG procedures and requirements as well as updated EECBG Special Terms and Conditions and this Monitoring Guide are on the Tennessee ECD website at <http://tennessee.gov/e cd/recovery/ee cbg.html>. Subgrantees should check this website monthly to ensure they follow the most recent guidelines.

All communication, questions, and reporting regarding the Tennessee EECBG Program should be submitted to:

Energy Policy Office
ATTN: EECBG Program Manager
312 Rosa L. Parks Ave, 10th Floor
Nashville, TN 37243
ecd.energypolicy@tn.gov
615-741-2994, 800-342-1340

Monitoring Objectives

The main objective for this monitoring program is to provide quality assurance in the EECBG program and ensure that the statutory requirements are met. With an unprecedented volume of grant funding awarded under the EECBG and a Presidential mandate for a high-level of transparency and accountability, it is required that there is a/an: (1) adherence to quality management processes, (2) high code of conduct in the performance of oversight and auditing procedures; (3) commitment to promoting best practices in record-keeping; and (4) high levels of monitoring and documentation.

The EECBG Subgrantees, along with the Program Manager, are responsible for ensuring that milestones and goals are achieved, statutory requirements are met, contractors and subcontractors follow the requirements as well and that the funding is spent efficiently and effectively. By conducting regular monitoring visits with the

Subgrantees, potential problems will be identified early thus improving projects and preventing larger issues.

Monitoring Overview

Subgrantees must comply with all reporting requirements mandated by the Recovery Act and the EECBG Special Terms and Conditions. Monitoring activities such as frequency of desk reviews and the process for onsite monitoring will adjust as revised Recovery Act reporting guidance becomes available from the Office of Management and Budget (OMB) and/or DOE from time to time.

EECBG Monitoring Staff

Staff from the Department of Economic and Community Development will serve as the grant monitors for the EECBG program. Those monitors will receive training on the grant requirements, procedures and processes, what documentation is required, Davis-Bacon and Buy American compliance, etc. and will complete desk reviews and onsite monitoring visits.

Subgrantees should note that monitoring can also be completed by federal and state organizations such as the Department of Energy, the Office of Management and Budget, the U.S. Comptroller's office, the Tennessee Comptroller's office and other organizations.

Onsite Monitoring Visits

Onsite monitoring for EECBG Subgrantees will be conducted on 100 percent of the projects. At least one site visit by ECD will occur during the grant contract to determine progress towards goals and objectives, the achievement of major milestones and compliance with grant requirements. However, this does not preclude ECD from implementing a higher frequency of visits because of existing or emerging deficiencies. A checklist will be completed during each visit to help the grant monitor discover problems and best practices.

Desktop Monitoring Reviews

All EECBG Subgrantees are monitored via standard periodic desktop monitoring. Desktop monitoring examines Subgrantees' monthly reports, requests for payment and other documentation to assess progress, determine compliance with Federal rules and regulations, determine compliance as stipulated in the approved application and budget and assess the reporting and fiscal tracking of resources expended by the Subgrantee.

Monitoring Process

Getting Started

To prepare for monitoring EECBG activities, monitors will assess and review the following documents, as applicable:

- Award documents and amendments, including contract activities, budgets and timelines
- Grants Management Tools
- Recipient Financial Records
- Communications and Submittals by Subgrantee
- Grant Application
- Recent Monitoring Reports and/or Audits
- Any other legacy documentation associated with the specific grant

In the review of these materials for any Subgrantee, the monitor will compile information on the Subgrantee to be ready to track progress over time. This initial desk review will identify any gaps that may need to be pursued through future interactions with the Subgrantee. It is also important to understand the identities of the key personnel on the Subgrantee side including local contacts, contractors and grant administrators.

The regular monthly reporting will include both financial and project status information. Review and acceptance of these monitoring reports on the Subgrantee's performance is the key goal for desktop reviews. Findings and feedback will be documented by the Program Manager.

The Program Manager has the authority and responsibility to contact a Subgrantee to question performance that may be behind schedule, obtain more information about major accomplishments to highlight activities/best practices, determine the reason for a low expenditure rate, inquire if technical assistance is needed in a certain area and/or offer suggestions that are project-specific. This feedback and the results of the discussions between the Program Manager and Subgrantee should be included in the official grant file.

Monitoring Assessment Instrument

The Monitoring Checklist is a questionnaire used during the monitoring visit to solicit information from the Subgrantee through a series of explicit questions (refer to Attachment B). However, there are opportunities throughout the questionnaire to enter comments, identify items that need further follow-up and include descriptive text.

The following items are some of the information that will be gathered by the monitors and recorded on the Monitoring Assessment Instrument:

Project Administration

- Date filed and timeliness of reporting to date
- Notification received of milestone or benchmark changes and updates
- Reports completed correctly and in a timely fashion
- Energy savings being reported
- Any changes to the Scope of Work or deviations from the original proposal

Financial Administration

- Budget deviations between invoices received and the Subgrantee's financial management system
- Comparison between actual budgeted amounts and amounts year to date
- Audits performed
- Note of any activities or events to accelerate expenditures
- Analysis of expenditure rates and sufficiency for project progress monthly and for completion
- Review of procurement procedures, personnel costs and policies
- Segregation of Costs

Additional ARRA Provisions

- Flow down requirements associated with the Recovery Act listed in their subcontracts
- Certified payrolls are in accordance with the Davis-Bacon Act
- Certified payrolls with original signatures are kept on file
- Employee interviews have been completed
- Wage determinations are listed in bid solicitations for all contracted work
- Proof of compliance with NEPA, Historical Preservation, Buy American
- Waste Stream Plan on file and documentation available showing it is being followed
- Competitive procurement procedures outlined, followed and documented

Other

- Opinions gathered from the Subgrantee (e.g., best practices they have used in this project, strengths and weaknesses of the project, concerns or expected problems)

Procedures for Onsite Monitoring for EECBG

The Subgrantee should expect a monitoring visit to last approximately half a day. Steps for the monitor to prepare and conduct the monitoring visit are listed below.

Step 1 - Pre-trip review of records and files

The pre-trip review is a key ingredient to a successful monitoring trip. Prepare a list of possible questions to be asked of the Subgrantee related to the above listed materials. Review any issues or concerns regarding the Subgrantee with other program staff, as needed. At a minimum, monitors should review the following documents:

- The most recent monitoring visit report and correspondence
- The most recent Program Status Reports and Invoices for the project
- The files for the project to be monitored during the visit

Step 2 - Mailing of a Monitoring Schedule and Preparatory Notes to Subgrantee

In setting up the monitoring visit, the monitor will contact the Subgrantee and determine the time/dates that will work for both the monitor and the Subgrantee. Any grant administrator should also be considered. Once the date for a monitoring visit has been selected, ECD will send a letter to the Subgrantee (refer to Attachment A-1) to confirm the monitoring visit and state the purpose of the visit. In this exchange, ECD will articulate the objectives of the monitoring visit (e.g., scope, whether the visit will include field visits and staff that should be available during the visit).

The monitor may request a list of documents from the Subgrantee to review prior to the site visit. This will allow the monitor to review and flag specific issues that need to be addressed or researched further, saving time during the onsite visit.

Information related to the monitoring visit - dates, scope, anticipated Subgrantee participants and items requested - will be sent via mail or email to the signature authority on the grant with copies to the monitor and grant administrator.

Step 3 - Entrance Interview with the Subgrantee Management at Subgrantee's Office

Arrange for an entrance interview with the Subgrantee. If possible, this meeting should include key personnel who work with the grant work including Subgrantee management staff. Record the list of participants for the visit report.

The entrance interview will include the following:

- An overview of the on-site monitoring process and goals for the visit
- An explanation of job functions and responsibilities related to the grant
- The confirmation of a schedule of proposed activities for the visit

Step 4 - Using the Monitoring Assessment Instrument

The monitor should use the Monitoring Checklist to record his or her observations. A copy of the Monitoring Checklist can be found in the Attachments Section of this text (refer to Attachment B).

This monitoring questionnaire will assist the monitor in compiling information from the monitoring visit. Please note that this questionnaire contains areas which will require the monitor to include descriptive text, add comments and to identify items that require follow-up.

Step 5 - Summation of Monitoring Results

The monitor will detail in his or her notes any observations, concerns and findings during their review/visit, along with the resulting recommendations. These comments will be reviewed closely and serve as an important data source for the Program Manager in the monitoring process. Therefore, the monitor should be descriptive, thorough and appropriate in his or her comments. In most instances, the summation of results will be a series of observations and/or concerns and any recommended actions. Monitors should give the Subgrantee an opportunity at the end of the monitoring visit to add comments or address any deficiencies.

Step 6 - Conduct Onsite Interviews with Subcontractors' Employees (if applicable)

Per the direction of DOE, ECD along with the Subgrantees will be responsible for conducting onsite interviews with a subcontractor's employees, if they are performing work in excess of \$2,000 for the construction, alteration and/or repair (including painting and decorating) of a public building or public work. After the monitor has finished reviewing the Subgrantee's files and concluded the interview of the project, this would be a good time to visit the job site (where work is being performed on the project). Besides conducting interviews with the employees, it is important that the monitor observe the employees as they are working to notice any inadequacies (e.g., the employee is performing work outside of his or her classification, etc).

An employee interview form can be found as Attachment C that outlines questions to be asked of laborers and mechanics.

Step 7 - Onsite Visit Report

The Onsite Visit Report will be prepared by the Program Manager and should provide an overview of the documents reviewed, observations and Subgrantee interactions occurring during the monitoring visit. The report should articulate any specific items identified in Step 5 and any concerns or issues that were raised by the monitor during desktop monitoring, if they were not on the actual site visit. Any actions required by the Subgrantee will be addressed in the first few paragraphs of the report. Where there are suspicions of waste, fraud, or abuse, they will not be referenced in the Onsite Visit Report sent to the Subgrantee.

The Onsite Visit Report will be sent to the signature authority on the grant with a copy sent to a grant administrator within fourteen (14) days of the visit and must specify how long the Subgrantee has to respond to the Onsite Visit Report, specifically corrective actions and the corrective action implementation plan, if applicable.

A cover letter transmitting the Onsite Visit Report signed by the EECBG Program Manager will accompany the Onsite Visit Report (refer to Attachments A-2 and A-3) depending upon the findings.

Step 9 - Follow-Up with Subgrantee on any Actions Required

Upon receiving the Onsite Visit Report, the Subgrantee should respond to the report. The Energy Policy Office will then accept or reject the Subgrantee's response. The Subgrantee's response should include corrective actions and commitments to findings and a schedule for completing any corrective actions identified during the site visit. These actions will be monitored routinely through desktop monitoring and, if necessary, will mandate a follow-up site visit within 30 days of receiving their response.

If the Subgrantee's response is rejected by the Energy Policy Office, further negotiations and correspondence are required. If the Subgrantee fails to respond, the Energy Policy Office sends another copy of the report and any specific findings that require Subgrantee action. If the Subgrantee still does not respond or refuses to comply, the Energy Policy Office will consider initiating remedial actions contained in the DOE Financial Assistance Rules (10 CFR Part 600.243).

Once the Energy Policy Office accepts the Subgrantee's response, they will send the Subgrantee a final letter of acceptance. Copies of correspondence are kept in the official grant file.

Key EECBG Metrics, Approach to Address Concerns, Deficiencies and Noncompliance by Subgrantees

A Subgrantee's failure to comply with the terms and conditions of a grant award may cause the Energy Policy Office to take one or more actions, including a series of grant enforcement steps that increase in severity depending on the type and duration of the noncompliance. The Energy Policy Office will undertake any such action in accordance with applicable statutes, regulations and policies and, except for egregious non-compliance (proven waste, fraud, abuse or mismanagement); will afford the Subgrantee opportunities to correct deficiencies. It is the general intent of the Energy Policy Office to work with Subgrantees through technical assistance and training and other oversight functions to provide guidance and some resources to aid in improved performance.

Even if a Subgrantee is taking corrective action, the EECBG Program Manager in consultation with the DOE Project Officer, may determine that proactive actions will be

taken under a Corrective Action Plan (CAP) to protect the state and Federal Government's interests. These actions include placing special conditions on awards, precluding the Subgrantee from obtaining future awards for a specified period or actions designed to identify future noncompliance, such as closer monitoring.

Recommendations and Concerns

Recommendations typically occur in areas where compliance with programmatic requirements and Federal law could be improved to enhance grant outcomes. In such cases, the Program Manager may point to known best practices, technical assistance opportunities or peer-to-peer exchange as a means to upgrade performance. Recommendations, although not mandated, are tracked in future reviews (both desktop and onsite). Recommendations in some instances can be indicative of early problems if the Subgrantee's actions in the area deteriorate. It is encouraged that the Subgrantees consider taking action on the recommendations.

Concerns are early indicators of management behaviors or systemic issues that if not corrected could jeopardize the program at some later stage. The Program Manager may determine that a plan will be developed with the Subgrantee on concerns identified through a monitoring review. Whether or not a plan is in place, areas of concern will be tracked to determine their effect on future grant performance.

Findings and Corrective and Enforcement Actions

Should a Subgrantee not be fully adhering to the intent of any Federal and/or DOE guidance that could result in potential liability to the program, then corrective action must be cited. Such deficiencies are missing or inaccurate reports (i.e., inaccurate energy audit inputs, gaps in data, etc.), insufficient response to required fields of reporting, systemic shortfalls and other deficiencies or delinquencies.

If the deficiencies of a grant are sufficient to warrant a CAP, then the Program Manager will initiate discussions with the Subgrantee to formulate a plan where actions are defined and a time table is outlined for when each corrective action in the plan will be completed to bring the grant back into compliance. Depending on the circumstances, the CAP may be initiated through a formal meeting or by ongoing discussion. It is expected that the Subgrantee will make recommendations on the corrective actions and negotiations may occur to bring these recommended actions into acceptance by ECD.

An approved plan will be signed by both parties and will include:

- Articulation of each action to be taken with sufficient detail to determine if the expected outcome has occurred and what aspects of the grant are back in compliance
- Identification of milestones and end dates for corrective action monitoring
- Brief comments explaining the circumstances giving rise to the deficiency

- Submission dates for any evidence that would confirm the achievement of a corrective action and acceptance by DOE that the milestone/end date has been met

If the Subgrantee is unable to correct deficiencies within the time frame agreed upon by both parties, the Program Manager will initiate procedures to protect the state and Federal Government's interest. A range of options exist for action such as:

- ECD's Audit Section will be contacted and requested to conduct an audit based on findings
- Restrictions of activities under the grant
- Increased monitoring and reporting
- Termination of award and denial of future awards

The Program Manager will concur on the completion of all activities under the CAP and determine if the completion of these activities have, in fact, brought the grant back into compliance. Should the grant operate under a CAP over a period of time, then the Program Manager will establish a revised approach to monitoring that may entail more frequent reporting, telephone/teleconference progress reviews and/or onsite visits.

If it is determined through these reviews that the Subgrantee is continuing to have serious deficiencies and is not complying with the CAP, then the Program Manager, will initiate the appropriate safeguard measures and immediately identify the Subgrantee as high risk for any future grant funding. In general, the Program Manager will initiate action on technical noncompliance and consult with the ECD Audit Section concerning the initiation of financial corrective actions.

Formal Findings

If the Subgrantee is found to be noncompliant at any time (whether a CAP is in place or not), then formal findings will be documented. Formal findings are grounded in actual determinations made by the Program Manager based on monitoring history. The purpose of stated findings is to facilitate review or action by the ECD Audit Section while disclosing the grounds (or basis) for the recommendations and required actions directed by the Program Manager and/or the Audit Section. The findings may include the following categories:

- misuse of funds
- inadequate financial management
- improper or inadequate inventory control
- delinquent reporting
- inaccurate income eligibility determination
- lack of sufficient insurance

Attachments:

- A. Communication with Subgrantees
 - A-1. Notice of Monitoring Visit Letter
 - A-2. Monitoring Visit Report Letter - No Findings
 - A-3. Monitoring Visit Report Letter - Findings
- B. Monitoring Checklist
- C. Employee Interview Form and Instructions



State of Tennessee
Department of Economic and Community Development
Energy Policy Office
Wm. R. Snodgrass TN Tower, 10th Floor
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243-0405
615-741-2994
In-State: 1-800-342-1340 / Facsimile: 615-741-5070

[date]

[full name]
[title]
[community]
[address]
[city, state,zip]

Dear [name]:

RE: EECBG Monitoring Visit

This letter confirms ECD's recent communication scheduling a monitoring visit to review your EECBG procedures. It is mutually agreed that this visit will take place on [day, date] at [time, am/pm]. To facilitate the monitoring process, please ensure that appropriate personnel are available. You should plan on the visit lasting 3 - 4 hours.

During the visit we will attempt to determine the effectiveness of the program in reducing energy consumption and whether applicable federal regulations are being observed. All program areas will be open for discussion as necessary. If you have any questions, you may reach me at brooxie.carlton@tn.gov or 615-741-2994.

Sincerely,

Brooxie Carlton
EECBG Program Manager
Energy Policy Office

cc: [Grant Monitor]
[Grant Administrator]



State of Tennessee
Department of Economic and Community Development
Energy Policy Office
Wm. R. Snodgrass TN Tower, 10th Floor
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243-0405
615-741-2994
In-State: 1-800-342-1340 / Facsimile: 615-741-5070

[date]

[full name]
[title]
[community]
[address]
[city, state,zip]

Dear [name]:

RE: EECBG Monitoring Visit

Thank you for the courtesy extended during the recent monitoring of your EECBG project. No findings or exceptions were observed during this visit and all program goals and milestones are current. In addition, project funds are being drawn according to the appropriate budgets and in a timely manner, and all reporting is up to date and accurate.

If you should have any questions, please contact me at brooxie.carlton@tn.gov or 615-741-2994.

Sincerely,

Brooxie Carlton
EECBG Program Manager
Energy Policy Office

cc: [Grant Administrator]



State of Tennessee
Department of Economic and Community Development
Energy Policy Office
Wm. R. Snodgrass TN Tower, 10th Floor
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243-0405
615-741-2994
In-State: 1-800-342-1340 / Facsimile: 615-741-5070

[date]

[full name]
[title]
[community]
[address]
[city, state,zip]

Dear [name]:

RE: EECBG Monitoring Visit

A monitoring visit was conducted with your organization on [date]. Concerns or findings were observed during this visit and the attached summary report outlines areas requiring attention.

Please ensure that corrective action is taken as necessary. You will be contacted to review the status of any actions that may be required and to determine whether an additional site visit will be necessary.

If you should have any questions, please contact me at brooxie.carlton@tn.gov or 615-741-2994.

Sincerely,

Brooxie Carlton
EECBG Program Manager
Energy Policy Office

cc: [Grant Administrator]

Enclosure

**AMERICAN RECOVERY AND REINVESTMENT ACT
ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT**

MONITORING SUMMARY REPORT

Date of Visit:
Subgrantee:
Grant Number:
Monitor:

Findings

1. [COMPLIANCE AREA EX: PROCUREMENT, REPORTING]

Comments:

[Explain the finding]

Reference Authority:

[Cite the regulation, etc. and explain how it relates to the finding]

Result:

[Discuss any consequences if the infraction is not resolved.]

Recommendation:

[Explain what the subgrantee can do to remedy the situation]

Concerns

1. [CONCERN TITLE, EX: MILESTONES, AMENDMENTS]

Comments:

[Discuss any potential problems, Ex: budget allocation, revisions needed, scope changes]

Recommendation:

[Explain any preventative measures.]

Tennessee EECBG Monitoring Checklist

EECBG Subgrantee Name	
Contact Person	
Mailing Address	
City, State, Zip	
Phone	
Fax	
Email	
DUNS number (verify on site)	
CCR expiration date:	
Activity(ies)	
Award amount	
Leveraged funds	
Dates of monitoring - 1 st	
2 nd	
3 rd	

General Project Administration

Name and title of interviewee	
Name and title of grant monitor	
Who is responsible for completing the monthly reports and invoices and submitting them to ECD? (Name and Title)	
Monthly reports	
Invoices	
What has been accomplished so far?	
Does the Subgrantee need any technical assistance/training on any rules, regulations, requirements or reports? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have any changes been made to the Scope of Work? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have those been approved by the EECBG Program Manager? Yes <input type="checkbox"/> No <input type="checkbox"/>	

Are any changes to the Scope of Work needed due to deviations from the original purpose? Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, what change is needed?
If any changes have been made or need to be made, do the Davis-Bacon, Section 106 and NEPA determinations need to be reconsidered? Yes <input type="checkbox"/> No <input type="checkbox"/>
What internal management and reporting systems have been established to ensure that the project's milestones are achieved?
Is the project proving to be beneficial, well-received and meeting the needs of the community? Yes <input type="checkbox"/> No <input type="checkbox"/>
What are the benefits of the project?
Has the Subgrantee publicized and promoted the project? Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how?
What is the scheduled completion date for the project?
Are there any relevant activities the Subgrantee is performing outside of the scope of work? Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, what?
Comments:

Procurement Procedures

Is the "Small Purchase Procedure" being used? Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Procurement by Small Purchase Procedures:</i> This method of procurement covers relatively simple and informal procurement methods for securing services, supplies, or other property not exceeding \$100,000 in cost. With this method, price or rate quotations must be obtained from an adequate number of qualified sources.
If not, what procedure is being used?	
Does the community have written procurement procedures? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have there been any deviations from the community's competitive procurement processes? Yes <input type="checkbox"/> No <input type="checkbox"/>	
If so, explain.	
Verify that the following documents are on file.	
Price Quotations	Yes <input type="checkbox"/> No <input type="checkbox"/>

Documentation of solicitation	Yes <input type="checkbox"/> No <input type="checkbox"/>
Method of selection or review of proposals	Yes <input type="checkbox"/> No <input type="checkbox"/>
Contract with awardee	Yes <input type="checkbox"/> No <input type="checkbox"/>
Verification that EPLS has been checked	Yes <input type="checkbox"/> No <input type="checkbox"/>
Subcontractor's DUNS number	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you feel the Subgrantee's procurement procedures are compliant with the federal and state regulations noted in the contract? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Explain.	
Comments:	

Additional ARRA Requirements

Do the Subgrantee's administrative and financial management methods adequately provide for transparency? Yes <input type="checkbox"/> No <input type="checkbox"/>
If no, explain.
Does the Subgrantee have documentation that <i>all</i> equipment purchased was made in America? Yes <input type="checkbox"/> No <input type="checkbox"/>
If not, do they have copies of the appropriate waiver/exemption that matches information on the equipment purchased? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have information showing that all work is completed by local government employees? Yes <input type="checkbox"/> No <input type="checkbox"/> (If not, answer the following 10 questions)
Is the Subgrantee complying with wage requirements in accordance with Davis-Bacon and Related Acts? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have the weekly wage reports with the original signatures on file in a secure location? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have a process in place to check the accuracy of the weekly wage reports? Yes <input type="checkbox"/> No <input type="checkbox"/>
Are the payrolls submitted to the Subgrantee on time (within 7 days after payroll)? Yes <input type="checkbox"/> No <input type="checkbox"/>
Has the Subgrantee submitted records of weekly payrolls to ECD? Yes <input type="checkbox"/> No <input type="checkbox"/>
Have employee interviews been conducted and desktop reviews completed? Yes <input type="checkbox"/> No <input type="checkbox"/> If so, how many?
Has the Subgrantee received any complaints from contractor's/subcontractor's employees regarding payment of the proper wages as set forth on the wage determination? Yes <input type="checkbox"/> No <input type="checkbox"/> If so, how many?
What actions has the Subgrantee taken to correct any complaints of improper wage payments? (Were back wages paid, were all employees' wages evaluated, etc)
<input type="checkbox"/>
Is the Davis-Bacon Rights poster and the Wage Determinations for the county posted at the job site? Yes <input type="checkbox"/> No <input type="checkbox"/>

Were wage determinations listed in bid solicitations for all contract work and included in all subcontracts? Yes <input type="checkbox"/> No <input type="checkbox"/>
Do the projects being reviewed match the projects listed on the Section 106 checklists? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the Subgrantee complying with NEPA regulations? Do the projects being completed match the approved projects? Yes <input type="checkbox"/> No <input type="checkbox"/>
Since the NEPA review has the Subgrantee identified any new information related to environmental impacts of the proposal? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have a Waste Stream Plan on file? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have documentation of how waste is being disposed of? Yes <input type="checkbox"/> No <input type="checkbox"/>
Has the Subgrantee included the flowdown requirements of the Recovery Act in their subcontracts? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the ARRA Notice of Funding poster at the job site? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a plan to keep records for three years or more? Yes <input type="checkbox"/> No <input type="checkbox"/>
Comments:

General Financial Information

Name and Title of accounting/financial administrator	
Does the Subgrantee have an official and systematic filing system for the administration of this project? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is there a system in place for segregating funds for this project from other/leveraged funds? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are the following documents retained in the Subgrantee's filing system?	
Copy of the signed contract?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Copy of monthly reports for each month?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Copy of invoices submitted?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Most recent financial audit?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Equipment inventory, if applicable?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Regulations that apply to this subgrant? (Special Terms and Conditions, 10 CFR 600, National Policy Assurances)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have there been any budget revisions? Yes <input type="checkbox"/> No <input type="checkbox"/>	
If so, were those approved by ECD? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Has an independent audit of the Subgrantee been completed in the last 2 years? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are there procedures to resolve the findings? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is income being earned from the Subgrantee's project? Yes <input type="checkbox"/> No <input type="checkbox"/>	

Comments:

Personnel and Administration

How are personnel costs charged against program budgets?
Are all personnel to be paid with grant funds accounted for on the Subgrantee's organizational chart? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee have procedures in place for documenting, monitoring and submitting information for personnel reimbursements such as timesheets? Yes <input type="checkbox"/> No <input type="checkbox"/>
Based on the information reviewed, is staff time being properly charged against the grant? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a Title VI Policy in place? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a process to report complaints? Yes <input type="checkbox"/> No <input type="checkbox"/>
Have any complaints been received in the last year? Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how have those been resolved?
Is the non-discrimination policy posted? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a separate entity providing grant administration? Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how are administration costs charged against program budgets?
Is there an agreement/contract between the Subgrantee and administrator? Yes <input type="checkbox"/> No <input type="checkbox"/>
Comments:

Expenditures

What procedures are in place for determining allowability of costs in accordance with the approved budget?
How are expenditures other than personnel and administration being charged against program budgets?
Does the Subgrantee maintain supporting documentation for each expenditure? Yes <input type="checkbox"/> No <input type="checkbox"/>

Are there procedures for comparing actual expenditures to the approved budget? Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there controls to prevent expenditures in excess of budgeted amounts? Yes <input type="checkbox"/> No <input type="checkbox"/>
Did the Subgrantee purchase any equipment for more than \$5,000? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there an inventory control process in place to tag such equipment and report it to the State within in sixty days of the close of the contract according to Section E.6. of the Subgrantee's contract? Yes <input type="checkbox"/> No <input type="checkbox"/>
Comments:

Reporting

Has the Subgrantee submitted monthly reports each month? Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the Subgrantee aware that a final report will need to be filed within 90 days of completing the project? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee keep track of hours worked on the project by personnel, administrators and subcontractors? Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Subgrantee accurately report leveraged funds being spent? Yes <input type="checkbox"/> No <input type="checkbox"/>
Are energy savings being collected and monitored on this project? Yes <input type="checkbox"/> No <input type="checkbox"/>
Comments:

Best Practices

How will this project increase its impact next year and have broader results?
Does the Subgrantee have any best practices they would like to share?
In the Subgrantee's opinion, what are some of the strengths and weaknesses of the project and what could be done to further the success of it?
In the Subgrantee's opinion, what are some of the strengths and weaknesses of the EECBG program and what could be done to further the success of it?
Comments:

Thank you!!

Information for the communities:

EECBG Program Manager

Brooxie Carlton

brooxie.carlton@tn.gov

615-741-2994

800-342-1340

Website:

<http://tennessee.gov/eec/recovery/eecbg.html>

EECBG / RECORD OF EMPLOYEE INTERVIEW

Grantee: _____ Project or Contract No.: _____

Project Location: _____

Contractor or
Subcontractor/Employer: _____

1.	Name of Employee:			
2.	Home Address:	Home Phone:		
3.	Last date and number of hours you worked on project before today?			
4.	Your hourly pay rate on this project?	\$		
5.	Your work classification on this project?	Apprentice?	yes	no
6.	Your duties?			
7.	Tools or equipment used?			
8.	Paid at least time and one-half for all hours worked in excess of 40 in a week? (If overtime premium pay is not required, enter "inapplicable".)		yes	no
9.	Ever threatened, intimidated, or coerced into giving up any part of pay?		yes	no
10.(a)	Are any deductions taken out of your check?		yes	no
(b)	Have they been authorized or are they permitted by law?		yes	no
11.	Duties and tools being used as observed by interviewer:	Conform to classification?	yes	no
12.	Were Davis-Bacon Rights Poster & the U.S. DOL Wage Determination posted at the site?		yes	no
13.	Comments By Interviewer (Continue on reverse if necessary.)			
14.	Comments by Employee (Continue on reverse if necessary.)			
15.	Signature of Interviewer		Date	
16.	Signature of Employee		Date	

PAYROLL EXAMINATION (Compare Interview Information with Certified Payroll Records)

17.	Verification from Payroll Number for Week Ending:			
18.	Total regular hours worked:	Total overtime hours worked:		
19.	Project Rate of Pay - regular hours:	Rate of Pay - overtime hours:		
20.	Work classification correct?			
21.	Is the Davis-Bacon/U.S. DOL Wage Determination wage rate or higher being paid?			
22.	Signature of Payroll Examiner (May be same as Interviewer)		Date	

GENERAL INSTRUCTIONS -- EMPLOYEE INTERVIEWS

It is recommended that employee interviews be conducted at least once for each contractor or subcontractor working on a project. Where the contractor's or subcontractor's contract lasts for a short time (less than two months), once may be sufficient; however, if errors/inaccuracies are found during the interviews, then follow-up interviews are necessary. For contractors or subcontractors with large contracts or that last longer than two months, performing an interview quarterly may be sufficient if no inaccuracies/misclassifications are found and everything appears to be in order. The interviews must be sufficient in number to establish the adequacy and accuracy of the payroll records and the nature and extent of any violations. The interviews shall be representative of all classifications of employees on the project under investigation. Employees should be questioned regarding other employees they worked with and the duties performed by those employees. The EECBG Subgrantee should perform the employee interviews and compare what is learned during the interview with what is appearing on the certified payroll records. The interviewer shall forward a PDF of all Records of Employee Interviews to the Tennessee Department of Economic and Community Development (ECD) upon completion.

An employee shall be informed that he/she is being interviewed by an employee of the EECBG Subgrantee and that the information given is confidential and that his/her identity will not be disclosed to the employer without the employee's written permission (see 29 C.F.R. 5.6(a)(5)). An employee should not be interviewed in the presence of the employer, another employee, or any other person. An Employee may be interviewed during working hours on the job, in accordance with 29 C.F.R. 45.5(a)(3)(ii). If a contractor has significant turnover, or employees fear reprisals or intimidation, or it appears there is a misclassification and/or falsification of payroll records, the local DOL Wage and Hour Office should be immediately notified along with ECD and the DOE Contracting Officer and Project Specialist.

The following should be taken in to account when conducting employee interviews:

- A. The interviewer should be knowledgeable of construction trade practices.
- B. Compliance with Davis-Bacon and other related Federal s required by contractors and subcontractors on all EECBG projects.
- C. Failure of Contractors or Subcontractors to permit employees to be interviewed could result in sanctions.
- D. The interviewer should verify that the U.S. DOL Wage Determination and notice to employees regarding their rights under Davis-Bacon are properly posted.
- E. Number of employee interviews shall be:
 - (1) sufficient in number to establish the degree of accuracy of records;
 - (2) and be representative of all classifications of employees on the project.
- F. Place of Interview. Employees currently employed may be interviewed during working hours on the job, provided that the interview can be properly and privately conducted on the premises. In cases of possible falsification of records, fear of reprisals, or intimidation, it may be more advisable to conduct the interview elsewhere, such as in the employee's home, at the interviewer's office, by mail, or another suitable place.
- G. The interviewer should observe duties of workers before initiating interviews.